

**PROVIDENCE HOUSING AUTHORITY  
BOARD OF COMMISSIONERS  
REGULAR MEETING: Thursday, May 23, 2013; 5:30 p.m.**

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**PHA Conference Room**

**100 Atwells Avenue**

**Providence, RI 02903**

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**CALL TO ORDER**

Chairman Nicolas Retsinas called the meeting to order at 5:32 p.m.

**ROLL CALL**

**Present:**

Nicolas Retsinas  
Thomas Ryan  
Roger Giraud  
Hilary Silver  
Dolores Cascella  
JT Taylor  
Dorothy Waters  
Ricardo Patino

**Absent:**

John Igliozi  
Kevin Jackson  
Nicholas Narducci

Eight members were present constituting a quorum to conduct business.

**APPROVAL OF MINUTES**

Chairman Retsinas asked for a motion to accept and approve the regular meeting minutes of 04/25/13, the motion was made by Commissioner Cascella seconded by Commissioner Patino. The minutes were approved with a unanimous voice vote.

**RESIDENT'S COMMENTS**

None

**Chairman's Report**

None

**INTERIM EXECUTIVE DIRECTOR'S REPORT**

Director Tavares stated that we are in the process of REAC Inspections and awaiting the results.

The Director stated that our contract with Blue Cross Blue Shield of RI (BCBS) is expiring on June 30<sup>th</sup>. Both Tufts and United Health chose not to bid on our new contract. BCBS presented a renewal contract with an increase of 9.9% which represents an increase of \$203,000.00. A meeting was held with the four unions and non-union representation. They were successful in making some challenging but effective plan changes to help bring down the increase of 9.9% to 5.2%. Paul thanked everyone who was involved with the difficult decisions and indicated that he will soon schedule both the annual wage and insurance reopener negotiating sessions with the four unions.

He also informed the Commissioners that there are approximately 20-25 people presently not offered insurance whom with the Health Reform Act, we will have to include the expected expense into the new budget.

The Director stated that our gross annual insurance prior to the increase is approximately over \$2 million. Traditionally, PHA employees have paid 15% of that amount.

Director Tavares commented that the FY2014 budget on the PHA side is looking at a short fall of approximately \$1.5 million in federal revenues. We will attempt to put a budget together that will minimize the negative impact on the residents and employees. A special meeting of the

budget committee will convene one week prior to the board meeting in June, so we can have an in depth review of the budget with a final presentation at the June board meeting to have an approved budget as of July 1<sup>st</sup>.

Lastly, Commissioner Ryan has generated questions and a debate as to a discrepancy in our By-Laws and State Law and City Charter relating to a quorum for our meetings. The City Solicitor's Office and our Legal Counsel have researched the issue and from this point, we will recognize that a 7-member quorum will be required.

Chairman Retsinas asked Commissioner Ryan if he knows of any further information with regard to the Sequester. Commissioner Ryan stated that HUD in Boston is in "lock-down" mode. Jobs were eliminated, senior staff members are forced to take a week furlough, vouchers were suspended, and programs discontinued. The Chairman said there seemed to be a sense of comfort with the Sequester in Washington and no sense of concern with the effects.

#### **COMMITTEE REPORTS:**

- Budget and Finance: (Comm. Giraud)
- Resident Services: (Comm. Silver)
- Capital Improvements: (Comm. Cascella)
- Executive Committee: (Chair Retsinas) Verbal Report

Commissioner Silver stated a decision was reached at the Principal's meeting for CNI to have an extension to the application submitted to HUD due to a housing element not given to the board in sufficient time. Director Tavares stated that the issue is not with the PHA Board of Commissioners but with the CNI committee. Chairman Retsinas said we will have a CNI presentation at the July or August board meeting.

Commissioner Cascella is concerned with the PHA and HUD inspections scheduled too close together. Commissioners Taylor and Waters have concerns with inspections scheduled for a particular date, yet an inspector will show up on a different day with no notification. The residents are receiving letters to repair, without inspections being performed. Director Tavares stated that in order to be in compliance with Federal Regulations we must give notice to the residents and conduct inspections within a particular time table. We do not know which residence will be inspected and, unfortunately, we have no control when HUD schedules their inspections. Chairman Retsinas asked Commissioner Waters to follow-up on the issues.

The Chairman commented that the Executive Committee will be holding interviews with the Search Firms and he will have a report at the June board meeting.

#### **RESOLUTIONS:**

None

#### **OLD BUSINESS**

NONE

#### **NEW BUSINESS**

As suggested by the Chairman, a feature of the monthly meetings will be a presentation of a department of the PHA. Director Tavares introduced Mr. Lou Fiore of Fiore & Asmussen, Inc. CPA's to present the PHA's annual audit.

The accounting firm suggested that PHA set-up a fraud account for year-end and July 1<sup>st</sup>. In regards to our retirement benefits, in order to be in compliance, we need to have an Actuary or our provider set-up a record to account for future benefit expenses and liabilities.

Director Retsinas asked the accounting firm if there were any adjustments to numbers, if the PHA cooperated with giving information to the firm and were there any procurement issues. Lou

Fiore stated that there were very few adjustments, the staff at PHA was very accommodating, but there was an issue in the past with procurement. After an additional audit of some files, it was found and documented that the former Executive Director was not in compliance with the procurement policies and procedures on a few of the files.

Director Tavares stated that the audit mirrored the HUD review as it related to certain contracts. Per HUD procedure, they wanted more review and sign-offs on review. A new form was submitted to HUD and approved. The aspect of "tightening up" as in a procedural perspective has been resolved to HUD's satisfaction. He also stated, we were required by HUD to hire an independent firm to do a costs analysis on six contracts which has been done and will be submitted to HUD for their review.

Per Fiore & Asmussen, GASB 63 and 65 are new requirements from the government Auditing Standards Board that needed to be implemented. Director Tavares commented that we would be requesting an RFP or RFQ to obtain an Actuary to satisfy the GASB regulations.

Chairman Retsinas reiterated to Lou Fiore and his staff, that if they ever come across anything inappropriate he is to be contacted immediately.

General Counsel Mark Ouellet mentioned that the PHA insurance group has made an improvement to the image of public housing and have invested over \$1 million dollars in a national awareness campaign and have hired a celebrity singer, Jewel, who was born in public housing, to help spread the word and share her life experience living in housing. A webpage was established called "Rethink Housing.org".

Commissioner Silver questioned the board with concerns about the sequester. The Chairman said that a full report will be given to the board next month with the budget. He said there is enough reserve to get us through this part of the year, but the reserves will run out and there will be some budget implications.

Special Projects Manager, Melissa Sanzaro, wanted to thank Councilmen Igliozi and Narducci for their donations of pizza and support for the Fire Safety meeting. PHA received a FEMA Grant in the amount of \$101,000, but we were denied a \$30,000 grant from the EPA. She also applied for a \$382,000 grant for the Tabaco Free Awareness Campaign, but the grant was discontinued due to the Sequester.

#### **ADJOURNMENT**

There being no further business, Chairman Retsinas accepted a motion to adjourn, seconded by Commissioner Cascella. Said motion passed with a unanimous voice vote.

The meeting adjourned at 6:21 p.m.

#### **Minutes Submitted and Approved By:**

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Lisa Cancelliere  
Recording Secretary

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Paul Tavares  
Interim Executive Director